



UNITED STATES BANKRUPTCY COURT DISTRICT OF NEW JERSEY	
RIKER, DANZIG, SCHERER, HYLAND & PERRETTI LLP Joseph L. Schwartz (JS-5525) Kevin J. Larner (KL-8627) Tara J. Schellhorn (TS-8155) Headquarters Plaza, One Speedwell Avenue Morristown, NJ 07962-1981 (973) 538-0800  Proposed Counsel to Debtor	
In re:	Chapter 11
RARITAN HOSPITALITY, LLC,	Hon. Kathryn C. Ferguson, U.S.B.J.
Debtor.	Case No. 10-42099 (KCF)

**INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL, PROVIDING  
ADEQUATE PROTECTION AND SETTING A FINAL HEARING**

The relief set forth on the following pages numbered two (2) through four (4) is hereby **ORDERED**.

**DATED: 11/1/2010**

  
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Honorable Kathryn C. Ferguson  
United States Bankruptcy Judge

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Debtor: RARITAN HOSPITALITY, LLC

Case Nos.: 10-42099 (KCF)

Caption of Order: INTERIM ORDER AUTHORIZING USE OF CASH COLLATERAL, PROVIDING  
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Upon the Debtor's Motion<sup>1</sup> for entry of interim and final orders pursuant to 11 U.S.C. §§ 105, 361 and 363 and Fed. R. Bankr. P. 4001 approving the use of cash collateral, providing adequate protection and setting a final hearing pursuant to Fed. R. Bankr. P. 4001 (the "Motion"); and the Court finding that (i) it has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334; (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); (iii) the relief requested in the Motion is in the best interests of the Debtor, its estate, and its creditors; (iv) good and sufficient notice of the Motion and the hearing thereon has been given and that no other or further notice is necessary; and (v) upon the record herein, after due deliberation thereon, good and sufficient cause exists for the granting of the relief as set forth herein,

IT IS HEREBY ORDERED that:

1. Use of Cash Collateral. The Debtor is authorized, in accordance with the cash collateral budget attached hereto as Exhibit "A" (the "Budget"), to use Lifco's Cash Collateral, *revenues constitute cash collateral,* *as modified on the record on November 1, 2010* *to the extent Debtor's* *through November 10, 2010* *For the purposes of this Order, the term "Cash Collateral" is limited only to those funds collected by the Debtor on account of the Debtor's renting of its Real Property, which totals \$22,678 per month. The Debtor's other revenues do not constitute Lifco's cash collateral, and the Debtor is entitled to use those revenues in its operations.*

2. Adequate Protection. *Lifco consents to the interim use of cash collateral as set forth herein without prejudice to any of its legal rights and/or remedies, if any.* The Debtor's use of Lifco's Cash Collateral as is set forth in the Budget, so as to maintain the value of Lifco's collateral, shall be deemed sufficient adequate protection for any diminution in the value of Lifco's collateral. *For purposes*

<sup>1</sup> All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

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~~of this Order, Lifco shall only be entitled to adequate protection for the Debtor's use of its Cash Collateral, as defined herein. The Debtor's use of non-rental revenue generated by the Debtor's business, including Hotel room receipts, which do not constitute Lifco's Cash Collateral, shall be freely permitted and the Debtor shall not be required to provide Lifco with any further or additional adequate protection.~~

3. **Reservation of Rights.** ~~By granting Lifco the adequate protection specified herein,~~ The Debtor does not waive, and expressly reserves, its rights to contest the validity, extent and/or priority of Lifco's mortgage, liens and security interests in the Debtor's property, and to assert any other claims.

4. **Final Hearing.** A final hearing on the Motion shall be held on November 10, 2010, at 10:00 a.m., in the courtroom of the Honorable Kathryn C. Ferguson, U.S.B.J., Clarkson S. Fisher U.S. Courthouse, 402 East State Street, Trenton, NJ 08608. All objections to the Motion and the entry of a final order granting the Motion shall be filed and served by not later than November 8, 2010 at noon (12:00 pm). In the event no objections are timely filed, this Order shall continue in full force and effect and shall be deemed a final order without further notice or hearing in accordance with Fed. R. Bankr. P. 4001(d)(3).

5. **Notice of Order.** Within one (1) business day of the entry of this Order, the Debtor shall serve, or cause to be served, a copy of this order by first class mail upon (i) the Office of the United States Trustee; (ii) the United States Securities and Exchange Commission; (iii) the Office of the United States Attorney for the District of New Jersey; (iv) the Internal Revenue Service; (v) the Debtor's twenty (20) largest unsecured creditors; (vi) counsel to Lifco; and (vii) all parties who entered a notice of appearance pursuant to Fed. R. Bankr. P. 2002.

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6. **Immediate Effect.** This Order shall be effective immediately upon its  
entry.

# EXHIBIT A

	Wk1	Wk2	Wk3	Wk4	Wk5	Wk6	Wk7	Wk8	Wk9	Wk10	Wk11	Wk12	12 Week
	10/17/10 - 10/23/10	10/24/10 - 10/30/10	10/31/10 - 11/6/10	11/7/10 - 11/13/10	11/14/10 - 11/20/10	11/21/10 - 11/27/10	11/28/10 - 12/4/10	12/5/10 - 12/11/10	12/12/10 - 12/18/10	12/19/10 - 12/25/10	12/26/10 - 1/1/11	1/2/11 - 1/8/11	Total
<b>Beginning Cash</b>	\$ 173,060	\$ 190,072	\$ 116,194	\$ 187,809	\$ 178,862	\$ 178,475	\$ 196,903	\$ 274,284	\$ 236,212	\$ 227,475	\$ 191,403	\$ 239,961	\$ 173,060
<b>Income</b>													
Food & Banquet Revenue	\$ 18,475	\$ 15,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 18,000	\$ 25,000	\$ 18,000	\$ 211,475
Liquor Revenue	\$ 1,750	\$ 1,750	\$ 1,750	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,750	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,750	\$ 19,550
Restaurant- rent			\$ 12,078				\$ 12,078					\$ 12,078	\$ 36,234
Restaurant- utilities			\$ 18,000				\$ 18,000					\$ 18,000	\$ 54,000
Other Rental Revenue			\$ 10,600				\$ 10,600					\$ 10,600	\$ 31,800
Room Revenue	\$ 51,250	\$ 51,250	\$ 51,250	\$ 45,000	\$ 45,000	\$ 45,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 528,750
Other Revenue	\$ 3,605	\$ 3,605	\$ 3,605	\$ 3,680	\$ 2,680	\$ 2,680	\$ 2,170	\$ 2,180	\$ 2,180	\$ 2,180	\$ 2,180	\$ 3,605	\$ 34,350
<b>Total Income</b>	<b>\$ 75,080</b>	<b>\$ 71,605</b>	<b>\$ 115,283</b>	<b>\$ 68,280</b>	<b>\$ 67,280</b>	<b>\$ 67,280</b>	<b>\$ 99,598</b>	<b>\$ 58,680</b>	<b>\$ 58,680</b>	<b>\$ 61,680</b>	<b>\$ 68,680</b>	<b>\$ 104,033</b>	<b>\$ 916,159</b>
<b>Expenses</b>													
Food & Banquet Cost	\$ 1,375	\$ 1,375	\$ 1,375	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,400	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 16,475
Liquor Cost	\$ 875	\$ 875	\$ 875	\$ 900	\$ 900	\$ 900	\$ 900	\$ 700	\$ 700	\$ 700	\$ 700	\$ 700	\$ 9,725
<del>Other Misc. Costs</del>	<del>\$ 1,250</del>	<del>\$ 1,250</del>	<del>\$ 1,250</del>	<del>\$ 1,500</del>	<del>\$ 1,500</del>	<del>\$ 1,500</del>	<del>\$ 1,500</del>	<del>\$ 1,350</del>	<del>\$ 1,350</del>	<del>\$ 1,350</del>	<del>\$ 1,350</del>	<del>\$ 1,350</del>	<del>\$ 16,500</del>
Housekeeping Supplies	\$ 4,500	\$ 4,500	\$ 4,500	\$ 3,500	\$ 3,500	\$ 3,500	\$ 4,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 43,000
Laundry Supplies	\$ 375	\$ 375	\$ 375	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 400	\$ 4,725
Bank Service Charges		\$ 200					\$ 350					\$ 350	\$ 900
Credit Card Charges			\$ 6,000				\$ 6,000					\$ 6,000	\$ 18,000
Equipment Rental	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 507	\$ 6,084
Gas/Diesel Expense	\$ 315	\$ 315	\$ 315	\$ 400	\$ 400	\$ 400	\$ 450	\$ 400	\$ 350	\$ 450	\$ 400	\$ 375	\$ 4,205
Office Expense	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 500</del>	<del>\$ 500</del>	<del>\$ 500</del>	<del>\$ 500</del>	<del>\$ 450</del>	<del>\$ 450</del>	<del>\$ 450</del>	<del>\$ 450</del>	<del>\$ 450</del>	<del>\$ 5,050</del>
<del>Office Supplies</del>	<del>\$ 315</del>	<del>\$ 315</del>	<del>\$ 315</del>	<del>\$ 425</del>	<del>\$ 425</del>	<del>\$ 425</del>	<del>\$ 425</del>	<del>\$ 375</del>	<del>\$ 375</del>	<del>\$ 375</del>	<del>\$ 375</del>	<del>\$ 375</del>	<del>\$ 4,205</del>
payroll		\$ 28,000		\$ 25,000		\$ 25,000		\$ 25,000		\$ 25,000		\$ 30,000	\$ 158,000
Payroll Service Charges		\$ 185		\$ 185		\$ 185		\$ 185		\$ 185		\$ 185	\$ 1,090
<del>Printing and Reproduction</del>	<del>\$ 149</del>	<del>\$ 149</del>	<del>\$ 149</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 150</del>	<del>\$ 1,797</del>
Storage Trailer Rent	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 350	\$ 4,200
Telephone/ Internet	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 1,700	\$ 20,100
Advertising	\$ 112	\$ 112	\$ 112	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 115	\$ 1,371
Franchise & Other Fees			\$ 28,000				\$ 26,000					\$ 28,000	\$ 82,000
<del>Management Fee</del>			<del>\$ 13,000</del>				<del>\$ 14,000</del>					<del>\$ 12,000</del>	<del>\$ 39,000</del>
Insurance		\$ 25,000	\$ 9,000				\$ 9,000					\$ 9,000	\$ 52,000
Landscaping/Snow Plowing	\$ 245	\$ 245	\$ 245	\$ 245	\$ 245	\$ 245	\$ 245	\$ 245	\$ 245	\$ 245	\$ 6,000	\$ 245	\$ 8,695
Payroll taxes		\$ 10,000		\$ 10,000		\$ 9,500		\$ 9,500		\$ 9,500		\$ 10,000	\$ 58,500
Repairs & Maintenance	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 1,625	\$ 19,500
Professional Fees										\$ 50,000			\$ 50,000
Property Tax		\$ 58,000											\$ 58,000
<del>Travel</del>	<del>\$ 300</del>	<del>\$ 300</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 400</del>	<del>\$ 4,600</del>
Electric	\$ 36,000				\$ 36,000				\$ 36,000				\$ 108,000
Garbage disposal	\$ 1,250		\$ 1,250		\$ 1,250		\$ 1,250		\$ 1,250		\$ 1,250		\$ 7,500
Gas	\$ 6,500				\$ 6,500				\$ 7,000				\$ 20,000
Water		\$ 9,800			\$ 9,800				\$ 10,000				\$ 29,600
<b>Total Expenses</b>	<b>\$ 58,068</b>	<b>\$ 145,483</b>	<b>\$ 43,668</b>	<b>\$ 77,227</b>	<b>\$ 67,667</b>	<b>\$ 48,852</b>	<b>\$ 22,217</b>	<b>\$ 96,752</b>	<b>\$ 67,417</b>	<b>\$ 97,752</b>	<b>\$ 20,122</b>	<b>\$ 108,627</b>	<b>\$ 853,852</b>
<b>Net Cash Flow</b>	<b>\$ 17,012</b>	<b>\$ (73,878)</b>	<b>\$ 71,615</b>	<b>\$ (8,947)</b>	<b>\$ (387)</b>	<b>\$ 18,428</b>	<b>\$ 77,381</b>	<b>\$ (38,072)</b>	<b>\$ (8,737)</b>	<b>\$ (36,072)</b>	<b>\$ 48,558</b>	<b>\$ (4,594)</b>	<b>\$ 62,307</b>
<b>Ending Cash</b>	<b>\$ 190,072</b>	<b>\$ 116,194</b>	<b>\$ 187,809</b>	<b>\$ 178,862</b>	<b>\$ 178,475</b>	<b>\$ 196,903</b>	<b>\$ 274,284</b>	<b>\$ 236,212</b>	<b>\$ 227,475</b>	<b>\$ 191,403</b>	<b>\$ 239,961</b>	<b>\$ 235,367</b>	<b>\$ 235,367</b>